



**CONSORTIUM FOR CITIZENS
WITH DISABILITIES**

Independence, Empowerment and Security
The Consortium for Citizens with Disabilities
Employment and Training Task Force
Statement of Principles on Employment of People with Disabilities
2008

The Consortium for Citizens with Disabilities is a coalition of national organizations working for public policies that ensure the self-determination, independence, empowerment, integration and inclusion of children and adults with disabilities in all aspects of society. For decades, our members have advocated for the rights and responsibilities of people with disabilities to participate to their fullest extent possible in our nation's workforce.

CCD believes that employment and career opportunities for people with disabilities are relevant to every American because disability can happen to any individual at any time of life. Numerous statistics bear this out. While aging is typically associated with disability, 2005 Census data placed the number of children and young people with disabilities ages 5 to 20 at more than 4 million.¹ Many of these young people will want to enter the workforce someday. And for many young people entering the workforce without a disability, three in ten will acquire one before they retire² and one in seven workers can expect to be disabled for five years or more before retirement.³ In fact, the total number of younger adults with disabilities exceeds the total for the population over 65.⁴

Starting in 2009, for the first time, disability will be reported in the Current Population Survey (CPS). The CPS is the source of the official federal determination of unemployment rates and other employment data. With the disability questions now included in the monthly survey, we are one step closer to more reliable and accurate employment status figures for people with disabilities. Other federal surveys do provide a snapshot of employment status. For example, in the year 2005, an estimated 38 percent of working-age men and women with a disability were employed. In absolute numbers, this equals 8,167,000 employed out of 21,455,000 non-institutionalized, people with a disability, aged 21 to 64 years, of all races, regardless of ethnicity, with all education levels in the United States.⁵

¹ "Future of Disability in America", Institute of Medicine, National Academies Press, 2007, p. 9

² Fact Sheet, Social Security Administration, 2007

³ "Commissioners Disability Table, 1998," Health Insurance Association of America, the New York Times, February 2000

⁴ Op. cit., "Future of Disability in America", p. 17

⁵ American Community Survey, 2005

Meanwhile, the workforce participation rate of similar populations without disabilities is almost 80 percent.⁶ By any definition, this vast disparity [38% vs. 80%] should be recognized as a crisis when this country faces an impending worker shortage and millions of Americans with disabilities are excluded from the labor market. Unfortunately, these issues have languished beneath the radar of policymakers on both sides of the political aisle or the focus is too narrowly placed on a smaller subset of people with disabilities – those on Social Security disability benefits.

What is often forgotten is that "receipt of Social Security disability benefits is merely the last stop on a long journey that many people with disabilities make from the point of disability onset to the moment at which disability is so severe that work is, at least temporarily, not possible. All along this journey, individuals encounter the policies and practices of the other systems involved in disability and employment issues. When these systems fail to stem the progression of disability or work at cross-purposes with one another to prevent successful employment retention or return to work, it is often the Social Security disability system that bears the eventual brunt of this failure."⁷

For other individuals with disabilities, such as those with life-long developmental disabilities, it is often not an issue of returning to work or maintaining employment but having the services and supports to secure employment. Reliance on services and supports to gain and maintain employment may be short lived or last a lifetime but it is a certainty that for these individuals Social Security benefits provide much needed income support and access to the services and supports to live and work independently in the community (e.g., supported employment).

Throughout the federal government, there are numerous agencies whose task it is to advance employment of people with disabilities. The Equal Employment Opportunity Commission (EEOC) monitors compliance with and enforces anti-discrimination laws enacted to protect people with disabilities. Within the Department of Labor, the Office of Disability Employment Policy (ODEP) and Employment and Training Administration (ETA) manage a host of programs and demonstration projects testing innovations in employment practices for people with disabilities. At the Department of Education, the Rehabilitative Services Administration (RSA) operates the major federal disability employment program– the state vocational rehabilitation system-- and its sister agency at Education, the National Institute of Disability and Rehabilitation Research (NIDRR) supports a national network of research and training programs focused on employment and independent living for people with disabilities. The Social Security Administration's (SSA) Office of Employment Support Programs is responsible for implementing the Ticket to Work program which was designed to assist Social Security disability beneficiaries in becoming more economically self-sufficient. At the Department of Veterans Affairs, the Vocational Rehabilitation and Employment (VR&E) program was created to serve veterans with service-connected disabilities. Only recently have these agencies begun to collaborate on mutual research agendas and initiatives that cut across programmatic silos. These efforts are threatened when budgets are continually flat-funded or targeted for elimination or substantial reduction.

CCD offers the following proposals to draw attention to the broad array of steps that should be taken to minimize employment barriers, improve employment outcomes and reduce dependence on federal income support programs for people with disabilities.

⁶ <http://www.ilr.cornell.edu/edi/disabilitystatistics/issues.cfm#Unemployment>

⁷ Joan Durocher, National Council on Disability to the Social Security Advisory Board, January 31, 2006

1] Support and enforce the Americans with Disabilities Act –

Rob is a lawyer with a spinal cord injury who works for a major disability rights organization. Because his office building is architecturally accessible he can work from his office on the 7th floor. When health complications exacerbated his injury, his employer accommodated him with a flexible work schedule allowing him to work from home. Once he returned to work, he was provided assistive technology that enables individuals with limited hand dexterity to use a computer.

For many people with disabilities, all they need is proper compliance with and enforcement of the employment provisions of the ADA. Accessible workplaces and often simple job accommodations mean that people with disabilities with appropriate qualifications for a position can enjoy a long and productive work life.

Barriers -- The Equal Employment Opportunity Commission (EEOC) is responsible for enforcing anti-discrimination laws that protect workers with disabilities. During the past seven years, funding and staffing for these agencies have been dramatically reduced, resulting in a significant decrease in numbers of discrimination complaints resolved.

According to a 2007 Inspector General's report, EEOC "is challenged in accomplishing its mission of promoting equality of opportunity in the workforce and enforcing federal laws prohibiting employment discrimination due to a reduced workforce and an increasing backlog of pending cases. EEOC has experienced a significant loss of its workforce, mostly to attrition and buyouts that the agency offered to free up resources." Data from the report indicate the EEOC faced a possible backlog of 67,000 cases by the end of FY 2008⁸.

Solutions – Ensure adequate budget and personnel resources for the EEOC. Funding must be provided to reverse the seven year decline in staffing for the agency, with specific emphasis on EEOC's investigative capacity. The House of Representatives recommended a funding level of \$350 million for the EEOC before the enactment of the Continuing Resolution for FY 2009.

2] Educate, encourage and assist employers to hire people with disabilities –

Dr. G's chiropractic office had just opened with two doctors and a part time bookkeeper. They soon discovered that many customers missed appointments and the office files were a mess. The part time bookkeeper really was not enough to handle the workload but they could not afford to hire someone else. A supported employment provider proposed that they hire a part time person for three months whose responsibilities would include: organizing customer files; contacting customers prior to scheduled appointments; keeping customers informed of special products or events; and serving as customer advocate by obtaining feedback about ways to expand services. They hired a supported employee for three months at minimum wage. After the three months, the

⁸ http://www.eeoc.gov/abouteeoc/plan/par/2007/inspector_general_statements.html

doctors noted an increase in profits and customer satisfaction and kept the individual on as a permanent employee. She has been there for eight years.

Barriers -- Numerous companies, businesses and corporations have become leaders in the recruitment, hiring and promotion of workers with disabilities. Still, too many businesses don't know about resources to which they can turn for questions about hiring people with disabilities or accommodating their needs on the job and they remain mired in outdated misconceptions about the capabilities of people with disabilities. In addition, many jobs are designed or structured in a manner that is not conducive to employment of people with significant disabilities. However, many surveys show the public overwhelmingly prefers to patronize companies that hire people with disabilities, but too many employers fail to follow through on an expressed willingness to employ these workers.⁹

The tax code contains a variety of incentives for employers to hire people with disabilities. The Work Opportunity Tax Credit provides for an annual tax credit of up to \$2,400 to employers that hire people from certain targeted low-income groups, including: VR Agency Referrals, Individuals using a Ticket to Work assigned to an Employment Network (signed IWP), SSI, TANF, Food Stamp Recipients, Qualified ex-felons, High-risk youth, Qualified summer youth employees. For Qualified veterans, the tax credit is worth up to \$6000. However, the paperwork and documentation required to use the WOTC makes it burdensome and difficult for businesses to take advantage of it. Moreover, Congress often allows the WOTC to expire then reinstates it retroactively, making it unpredictable for many businesses.

A Small Business Tax Credit [Sec. 44] provides a tax credit of up to \$5,000 annually for certain small businesses to be used for the cost of providing reasonable accommodations such as sign language interpreters, readers, materials in alternative format, the purchase of adaptive equipment, the modification of existing equipment, or the removal of architectural barriers. Unfortunately, the Section 44 credit covers only 50% of eligible access expenditures, posing a significant financial burden for many small companies. Finally, the Architectural/Transportation Tax Deduction [Section 190] allows businesses of any size to deduct up to \$15,000 annually for the costs of removing barriers to accessibility. Only certain expenses are deductible and modifications must meet certain standards under the IRS Code. As a consequence, the deduction is often difficult for businesses to understand and utilize. Indeed, a 2002 GAO report found only a small proportion of corporate and individual taxpayers with a business affiliation taking advantage of these tax incentives and most were concentrated in only a few industries.¹⁰

Solutions – Increase funding for workforce intermediaries with expertise in disability and accommodations as well as business procedures and needs. Employers have stated that what they value most in hiring people with disabilities is a partner organization which can provide prompt assistance in pre-screening, accommodations, follow along, and post-placement issues.¹¹ Supported Employment (SE) and Customized Employment (CE) are among the strategies to individualize the employment relationship between job seekers and employers in ways that meet the needs of both. SE and CE are based on identifying the strengths, interests and needs of an individual with a disability as well as

⁹ Journal of Vocational Rehabilitation 24, Siperstein, Romano, Mohler and Parker, 2006, p. 6-7

¹⁰ U. S. General Accounting Office, Business Tax Incentives: Incentives to Employ Workers with Disabilities Receive Limited Use and Have an Uncertain Impact, GAO-03-39, December 2002, p. 4

¹¹ (RTI Projects With Industry Evaluation December 2003, p 56)

identifying the needs of an employer. Studies have indicated that supported employment generates greater monetary benefits than costs.¹² Despite the demonstrated successes of SE, an analysis of data between 1988 and 2002, on the federal funding and enrollment in supported employment programs throughout the US concluded that: 1) SE is under-funded compared and 2) the growth of SE has become stagnant.¹³

The Projects with Industry [PWI] program under the Rehabilitation Services Administration is recognized and valued for its partnership with business approach to job development by employers nationwide. Unfortunately, it has gone from 125 projects to 70 with further reductions expected in 2008. Other federal agencies, particularly the Department of Labor, have in the past provided funding opportunities which support partnership with business in finding and creating job opportunities for people with disabilities and should be encouraged to do so in the future. The funding for organizations which can partner and assist local employers has decreased significantly and this trend must be reversed.

Promote the United States Business Leadership Network (USBLN). USBLN is a coalition of over 5000 companies and corporations with a commitment to the recruitment, hiring and advancement of people with disabilities in their workforce. The Network supports its members through sharing of best practices, sponsoring youth employment fairs at its annual conference and being a resource for technical assistance concerning job accommodations and other employment-related matters. With 44 chapters in 32 states it is the only disability organization led by businesses for businesses. Employers should be encouraged to join USBLN and more states should incorporate support for their BLNs into their own economic development and workforce strategies.

Publicize the Job Accommodation Network (JAN) – Funded by the DoL Office of Disability Employment Policy, JAN is a free consulting service designed to increase the employability of people with disabilities by: 1) providing individualized worksite accommodations solutions, 2) providing technical assistance regarding the ADA and other disability related legislation, and 3) educating callers about self-employment options.

Use the Tax Code Effectively to Promote Employment of People with Disabilities –The 2002 GAO tax incentives study recommended additional research to determine the impact of the various credits and deductions on employment of people with disabilities. However, it also reported consensus among business representatives and experts on disability issues on the need to improve education and outreach efforts on these incentives. Those interviewed by the GAO also proposed that technical assistance be provided to small businesses in filing the paperwork necessary to claim the credits or deductions or streamlining the process for filing. Other recommendations included expanding the universe of workers

¹² Cimera, R. (1998). Are individuals with severe or multiple disabilities cost-efficient to serve via supported employment? *Mental Retardation*, 36, 280-292. Cimera, R. (2000) The cost efficiency of supported employment: A literature review. *Journal of Vocational Rehabilitation*, 14, 280-292 Cimera, R., (2007), The cost-effectiveness of supported employment and sheltered workshops in Wisconsin (FY 2002–FY 2005), *Journal of Vocational Rehabilitation*, 26(3), 153-158).

¹³ Rusch, F. & Braddock, D. (2005) Adult day programs versus supported employment: Spending and services practices of mental retardation and developmental disabilities state agencies. *Research and Practice for Persons with Severe Disabilities*, 29, 237-42

with disabilities eligible for the work opportunity tax credit, the size of companies able to use the disabled access credit and the type of accommodations that qualify for the barrier removal deduction.¹⁴

Initiate a Well-funded Public Awareness Campaign to Promote Employment of People with Disabilities -- each year, October is designated Employment of People with Disabilities Month. While assorted federal agencies make note of this occasion to varying degrees of emphasis, what is really needed is for all federal agencies to invest in a major, coordinated messaging effort that is marketed to employers encouraging their employment of individuals with disabilities.

Convene a White House Conference on Employment of People with Disabilities – Every ten years, a White House Conference on Aging [WHCoA] is convened to set the federal agenda for aging issues for the next decade. The extensive process undertaken for the WHCoA creates a nationwide framework for discussion and input by all interested stakeholders and serves as a catalyst for drawing attention to older Americans. A conference patterned along those lines should bring together people with disabilities, employers, the business community, providers and others involved in employment of people with disabilities in similar discussions across the country. These discussions would culminate in a summit to develop a comprehensive set of strategies to design and implement policies that will increase significantly the rate of workforce participation among people with disabilities within ten years.

3] Make the federal government the "gold standard" in employment of people with disabilities

The federal government has a responsibility to model exemplary performance in welcoming people with disabilities into the ranks of its employees. Over the years, special hiring authorities have been put in place to expedite and increase the hiring of federal workers with disabilities. Section 501 of the Rehabilitation Act prohibits employment discrimination against people with disabilities in the federal sector and Section 504 forbids such discrimination in federally funded programs and activities. Section 503 of the Act requires employers to take affirmative steps to hire, retain, and promote qualified people with disabilities. Since World War II, federal job exams have given extra points to veterans with service-connected disabilities to increase their chances for hire. In addition, Section 4214 of Title 38 requires federal agencies to establish a separate affirmative action program for disabled veterans as part of their efforts to recruit people with disabilities and to report annually on the success of their efforts in hiring these veterans. Schedule A is a tool available for federal agencies to bypass the bureaucratic hiring process and bring on qualified individuals with disabilities quickly.

Barriers – Despite the existence of various hiring authorities, many federal hiring managers are unfamiliar with them and, even if the hiring authorities are known, there is no penalty for ignoring them. Executive order 13163, issued July 26, 2000, called for the federal government to hire 100,000 individuals with disabilities over a ten year period. Yet, in FY 2006, the participation rate of people with disabilities in federal employment fell to its lowest rate in 20 years.¹⁵ According to the Equal Employment Opportunity Commission, the percentage of permanent federal employees with targeted disabilities has declined each year since reaching a peak of 1.24 percent [32,337] in FY 1994.¹⁶ In FY 2006, the percentage was 0.97 percent [a total of 24,086]. Even if Executive Order 13163 were

¹⁴ Op. cit., GAO-03-39, p. 26

¹⁵ Equal Employment Opportunity Commission, Annual Report of Federal Hiring Performance, 2007

¹⁶ Leadership for Employment of Americans with Disabilities [LEAD] Initiative, EEOC, 2006

reinstated, if large numbers of people with disabilities continue to leave federal employment, we will have made no progress at all.

Solutions -- Increase federal agency accountability for hiring people with disabilities – Federal agencies should be held accountable for compliance with established hiring goals for people with disabilities. The Office of Personnel Management (OPM) should be tasked with taking the lead in training federal hiring managers properly in the use of Schedule A, veterans' preference and other hiring authorities designed to promote employment of people with disabilities. In addition, the mandate for OPM to report annually on agencies' success in hiring veterans with disabilities should be expanded to include all individuals with disabilities. Beyond these actions, it is time for the federal government to establish and meet targets whereby at least five percent of all federal agency workforces are people with disabilities.

Appoint people with disabilities to a variety of administration posts beyond those offices traditionally "reserved" for individuals with disabilities - The President should ensure that his/her cabinet reflects a commitment to full participation by people with disabilities in the operation of government. Most administrations have designated a person with a disability to serve as head of the Rehabilitative Services Administration and Office of Special Education and Rehabilitation Services. However, there are many qualified persons with disabilities who can serve in appointments to any cabinet agency or administration position beyond those "traditional" disability-related offices.

Increase the use of existing federal contracting authority - Another major opportunity for the federal government to facilitate employment for people with disabilities is the AbilityOne Program, administered by a small federal agency, the Committee for Purchase from People who are Blind or severely disabled. Under the Javits-Wagner-O'Day Act (JWOD), the Committee and its staff promote compliance by federal agencies with the JWOD legislation which gives priority when outsourcing federal agency commercial-like functions to nonprofit agencies associated with National Industries for the Blind (NIB) or NISH, which serves a wide range of people with severe disabilities. Local nonprofit agencies across the nation are employing nearly 50,000 people with disabilities who provide quality products and contract services under the AbilityOne Program. There is pending legislation developed by the Committee for Purchase to modernize the AbilityOne program. Members of the Committee for Purchase are presidential appointees, typically senior acquisition officials in major federal agencies. The Department of Defense (DOD), with four members on the Committee for Purchase, has committed to doubling the number of people who are blind or severely disabled through outsourcing non-inherently governmental functions which can be performed by people who are blind or severely disabled. Presidential appointees from all other Committee agencies need to be more aggressive in seeing that their agencies use the authority given to them under JWOD.

4] Ensure that education and training systems respond to the post-secondary needs of youth with disabilities –

Growing up in a small Virginia community, Amanda C. was the only deaf member of her family and in her high school. She often found herself up against attitudinal barriers, but they didn't put any boundaries on this young woman. She graduated as salutatorian of her class of more than 600 students and became the first member of her family to graduate from college. She earned a Bachelor of Science degree in business management from the Rochester Institute of Technology's National Technical Institute for the Deaf. Informed by a school counselor about

the DoL Workforce Recruitment Program (WRP), Amanda obtained an internship at the Census Bureau that led to a full time position with that agency.¹⁷

Barriers – Recent data shows that youth with disabilities are not accessing the services and supports that can help them transition from school to the remainder of their lives. Based on the results of the National Transition Longitudinal Study-2 funded by the U.S. Department of Education,¹⁸ among the 11,000 special education students who were surveyed in 2002:

- 56% received no career counseling;
- 51% received no career assessment;
- 64% received no job readiness training;
- 86% received no job skills training; and
- 64% received no job search instruction.

NLTS-2 also found that close to 30 percent of special education students drop out of school prior to finishing high school and only 32 percent of youth with disabilities go on to any postsecondary education after leaving high school.

A partial explanation for these statistics may be the assumption among education professionals, service providers, families and even the young people themselves that young people with disabilities cannot achieve the same standard of success as their peers without disabilities. School and adult service personnel, families and young adults with disabilities should embrace high expectations for the future.

School personnel, families and youth with disabilities often do not fully understand the adult service system and other governmental supports available to support a students' movement from school into adulthood. "Once a year fairs" are not really reaching all stakeholders and do not provide the range of understanding necessary for thoughtful planning. Students often graduate with no Social Security cards, no determination on specialized transportation eligibility, no State ID, and sometimes have not even applied for SSI, or SSDI, which often limits their eligibility for long term support services.

While vocational rehabilitation staffers are invited to student IEP meetings, many do not or cannot attend. Further, in most communities, county human services staff is not responsible for attending IEP meetings, talking with students and parents before graduation to assist in identifying the possible long term services and supports that may be needed once VR funding has ended.

Solutions – Require and fund interagency collaboration for programs affecting young people with disabilities -- Develop mandates - and assure adequate resources -- to support strong interagency collaboration between education, rehabilitation, workforce development, Social Security, developmental disability agencies and other systems that support youth beyond the written interagency agreements that many states have.

Provide collaborative training and support for school and adult service personnel – For all those involved with the education of students with disabilities, such training is essential to learn about each

¹⁷ U.S. Department of Labor, Office of Disability Employment Policy, Talent for a Winning Team, March 2008 Profiles, www.dol.gov/odep/talent/oe2008.htm

¹⁸ National Transition Longitudinal Study-2, Institute of Education Sciences, National Center for Special Education Research, 2002

system and ensure participation by all stakeholders in the transition process. Key personnel must be identified in each system to be the point person in transition.

Develop a system of braided funding to assist schools and adult service agencies in providing the needed services for successful transition. Through such a system, students with disabilities would have access to in-school work experiences, community apprenticeships/internships, job coaching, and mentoring programs that offer opportunities for career-testing and career counseling, development of soft job skills, and other assistance to move from “job” to “career”

Offer easy to understand information about and best practices in school to work transition -- Develop a user friendly guide (via web or hard copy) that clearly explains the process of transition with success stories from around the country that others can use as models.

Ensure that all components of the education system are prepared to serve young people with disabilities -- Establish policy for trade/technical schools, community colleges and universities to eliminate barriers to higher education for students with disabilities through improved financial aid, increased disability services, and expanded programs for youth with intellectual disabilities.

5] Make the workforce development and vocational rehabilitation systems work for people with disabilities

I told the receptionist, “I’m looking for a job.” Immediately she put out a paper that listed Internet job search sites. She said, “It’s all done on the Internet. Do you have a friend who’s got a computer or somewhere you can go and use their computer?” She didn’t even offer to let me use the computers in the room. Half of them were empty. I told her, “I’ve got a computer in my home.” She said, “Oh, you can go home and do it then.” Then I asked her, “Do you want me fill out something or to start a file on me to get me into your system?” And she got angry. She said, “It’s all done on the Internet – go home and do it.” – Kansas One Stop customer with multiple sclerosis

Barriers – The purpose of the federal One Stop system is to provide all individuals, including those with disabilities, with a “one stop” process for obtaining employment. Yet, many individuals with disabilities are left out of the system due to the physical or programmatic inaccessibility of some One Stops. Further, a number of One Stop websites cannot be used by those with visual impairments and some One Stop staff need training in assisting people with disabilities. In addition, there is an ongoing need to promote collaboration between VR (state and local), the Disability Navigators and the Business Development staff within the One Stops.

The Government Accountability Office found high degrees of variance in implementation of access strategies in its 2004 examination of how the workforce investment system was meeting the needs of Americans with disabilities.¹⁹ Research conducted for the Ticket to Work and Work Incentive Advisory Panel by the Urban Institute and Johns Hopkins University on services to people with disabilities under the Workforce Investment Act concluded that “there appears to be more of a problem with access to

¹⁹ U. S. Government Accountability Office, Workforce Investment Act: Labor Has Taken Several Actions to Facilitate Access to One-Stops for Persons with Disabilities but These Efforts May Not Be Sufficient, Dec. 14, 2004, GAO-05-54

WIA programs for customers with disabilities than with the services once enrolled.”²⁰ Analysis of Workforce Investment Act Standardized Record Data (WIASRD) shows dramatic reductions in percentages of persons served who indicated having a disability over the last six years. The percentage of people exiting from Adult services who indicated having a disability shrank from 8.8% to 5.6% from 2000 to 2006. Performance measures used to evaluate the Workforce Investment Act (WIA) system inherently discourage serving customers with disabilities, due to anticipated higher financial service costs and extended service time frames:

*“Some WIA, VR, and disability-related agency officials also expressed concerns that trying to meet performance standards could provide an incentive for One-Stops to automatically refer persons with disabilities to VR, only serve those with the least severe disabilities, or not serve them at all.”*²¹

“A billion here, a billion there, and pretty soon you're talking about real money.” In 2008, some forty years after Sen. Everett McKinley Dirksen (R-IL) made famous that line, the federal government appropriated slightly under \$3.0 billion in federal funds for the public Vocational Rehabilitation program -- a sum that would likely fall short of Senator Dirksen's inflation adjusted definition of real money.

The State-Federal Public Vocational Rehabilitation (VR) program is the nation's oldest and largest employment program for people with disabilities. Although created by Congress in 1920, some states had already started programs to help veterans injured during World War I regain employment. Since then, the scope and responsibility of the Public VR program has expanded greatly. For example, people with developmental disabilities and mental illnesses, once confined to barren lives in institutions, are now the two largest groups of people with disabilities receiving VR services. New technology and the aspirations of people with disabilities to higher education have created more opportunities for employment than ever before; however, the VR program is unable to help all who seek these new opportunities because funding for the program hasn't kept pace. According to the Center for Market Statistics at Northeastern University, of the 54 million American with disabilities who are of working age, 70% are not employed.

Recently, injured veterans returning from the conflicts in Iraq in Afghanistan and heightened emphasis on youth with disabilities in transition from secondary school to either employment or higher education has further increased the demand for VR services. Compounding the problem is that the FY 2009 Continuing Resolution that runs through March 2009 level funds the VR program at the FY 2008 level.

The funding shortfall has resulted in about half of the 80 state VR agencies being forced to implement an "Order of Selection" a condition whereby the state agency must prioritize providing services to consumers based on significance of disability; and those who cannot be served are referred to other agencies for services as appropriate, or assigned to waiting lists. Waiting lists in some state agencies have grown as large as 14,000 individuals.

²⁰ Holcomb, P. & Barnow, B., *Serving People with Disabilities through the Workforce Investment Act's One-Stop Career Centers*, TTWWIAP, November 2004

²¹ Op. Cit., GAO-05-54, December 14, 2004

Under the Rehabilitation Act of 1973, As Amended, the Title I State Grants, which provide the significant majority of funding for state VR agencies, receive an annual cost of living adjustment (COLA) based on the Consumer Price Index. Originally intended by Congress to be a "floor" below which the annual COLA increases could not fall, overtime, the COLA has become a ceiling - one that is far too low to meet the rising costs of rehabilitation services.

Another major barrier for individuals with more significant disabilities is their isolation from the workforce. A large percentage of public funding currently available for employment support is used instead in isolated non-work environments. While SE has been identified in the Rehabilitation Act since 1986, a recent study by David Braddock²² noted a decline in the use of or money given to supported employment and an increase in day/work programs for individuals with developmental disabilities. Currently, funding for supported employment is fragile and fragmented and this is not likely to change without federal guidance and leadership. Major weaknesses center around infrastructure development issues and insufficient funds to ensure successful outcomes for individuals with more significant disabilities.

Solutions – Ensure both physical and programmatic access to WIA services, including One Stop Career Centers and adult training programs. The Office of Disability Employment Policy completed a five year case study of One Stop accessibility issues in 2005. While multiple barriers were identified, the project also highlighted numerous innovative solutions that some centers are doing to reach out to the disability community.²³ In addition, DOL should mandate the use of the One Stop Disability Access Checklist in the evaluation of each full service and satellite One Stop Center, provide ongoing training to staff within One Stops, and identify strategies for all groups within the One Stops to collaborate (e.g., collective meetings versus separate). DOL should operate "mystery consumer" evaluations on a nationwide, periodic basis to further evaluate and analyze the WIA system's progress towards full accessibility. Finally, DOL should withhold operational funds from state and local workforce areas until all WIA service delivery points are determined to be fully accessible.

Reconstruct the WIA performance standards to provide appropriate mechanisms for measuring services to individuals with disabilities. Performance measures must be tailored to acknowledge the differences in populations being served, recognizing and crediting provision of services to harder-to-serve populations.

Adequately fund the Public VR program. The long-term funding shortfall requires immediate attention. To meet the needs of all Americans with disabilities who want to work, we propose doubling the Title I state VR program over the next five years from the current level of approximately \$2.9 billion in FY 2008 to \$6.0 billion in FY 2013.

As with the healthcare industry, the cost of vocational rehabilitation services increases at a faster rate than the generic Consumer Price Index (CPI). Congress should amend the Rehabilitation Act to replace the generic CPI with a "Vocational Rehabilitation CPI" that reflects the true costs of providing VR services.

²² The State of the States in Developmental Disabilities, 2008, Braddock, D.

²³ http://www.dol.gov/odep/categories/research/workforce_study.htm

Make the employment of people with disabilities the top priority for the Employment and Training Administration. With the employment rate for people with disabilities lagging over 40 percentage points behind the non-disabled population, DOL should make the employment of people with disabilities its top priority. No workforce development grant RFP should be cleared within the Department without it clearly indicating a priority on serving individuals with disabilities. No special initiatives should be authorized without a clearly defined strategy for serving individuals with disabilities. Further, all pre-existing program areas should move individuals with disabilities to its highest level of service priority, including Job Corp, incumbent and dislocated worker training programs, and others. Finally, DOL should model its commitment to employment for people with disabilities by infusing qualified individuals with disabilities throughout its ranks in all agencies and offices, not just disability specific initiatives such as the Office of Disability Employment Policy.

Ensure better coordination of and support for federal agencies and programs responsible for promoting employment of people with disabilities. For people with disabilities, the work of DOL, SSA, VA, RSA and other federal agencies in broadening their employment opportunities must receive leadership from the top of each agency and from the White House. Cabinet level support is essential for continued cooperation and collaboration across bureaucratic program constructs. Indeed, a May 2008 report from the Government Accountability Office that examined federal disability programs concluded that interagency collaboration will continue to be problematic without some clearly delineated outcomes and "a coordinating entity...to ensure that the multiple agencies serving individuals with disabilities are communicating on a government-wide scale to ensure integration of services."²⁴ Finally, continued inattention to the funding needs of these programs will only send a message that they are of lesser priority.

Create a Technical Assistance Center (TACE) for Customized/Supported Employment and create funding streams more favorable to SE. Such a center would add to the current system of technical assistance such as the current TACE center system but focus specifically on SE and CE. States have talked about the need for training and technical assistance in this area to enhance outcomes for individuals with disabilities. Contracting with experts in the field of SE and CE, the center would provide training and technical assistance to states and local agencies to enhance employment outcomes for individuals with more significant disabilities. Such centers could advise on the use of available funding to support strategies that offer employment opportunities as a first option for recipients of public programs such as the Employment First initiatives in Washington State and Minnesota.

²⁴ U. S. Government Accountability Office, Federal Disability Programs – More Strategic Coordination Could Help Overcome Challenges to Needed Transformation, GAO-08-635, May 2008, p. 31

6] Recognize the value of and promote opportunities in self-employment and entrepreneurship for people with disabilities –

Data collected during the 1990s by the Institute on Rehabilitation Issues indicated that over 12 percent of individuals with a reported work disability were self-employed. Furthermore, a study conducted by the University of Montana Rural Institute on Disabilities found that approximately one-fourth of participants in a Rehabilitation Services Administration demonstration project expressed interest in starting their own business.

Barriers – In 2005, the University of Montana Research and Training Center on Disability in Rural Communities sponsored an Action Summit for the Advancement of Capital Access to Entrepreneurs with Disabilities. The conference brought together representatives from the federal government, economic development agencies, disability advocacy groups, think tanks, state vocational rehabilitation agencies and others involved in self-employment and entrepreneurship for people with disabilities. The focus of the summit was to highlight the value of small business enterprise for people with disabilities, identify impediments unique to entrepreneurs and aspiring entrepreneurs with disabilities and outline recommended solutions to those challenges.

As outlined at the summit, two of the performance standards used by RSA to evaluate a VR agency's impact on employment are ratio of hourly wage to state hourly wage and ratio of self-support at application and at closure. Some business owners with disabilities may want to retain benefits and set-up their businesses so that they don't earn an hourly wage comparable to the state's prevailing wage. Moreover, the time it takes for a business to show any level of profitability is longer than the typical VR case. During this time the case can't be closed and the agency can't count it as a successful outcome. For states that are in order of selection, this means a new client can't enter until another person's case is closed.

Other challenges identified by participants included:

- Lack of any RSA national policy promoting self-employment;
- Unfamiliarity of many VR counselors with business planning and development resources;
- A dearth of information about innovative programs undertaken by various state agencies;
- Absence of the Small Business Administration in helping entrepreneurs with disabilities;
- Federal policies that limit asset accumulation necessary to finance a business;
- Credit difficulties that people with disabilities encounter in obtaining small business loans; and
- Misconceptions about the ability of people with disabilities to run a business²⁵

Solutions – Undertake a comprehensive data gathering strategy to document the numbers and types of small businesses owned by people with disabilities – The General Accountability Office should be asked to conduct an environmental scan of businesses owned by people with disabilities including numbers, income generated, numbers of years in existence and number of employees. GAO should also examine any barriers encountered by these businesses in terms of capital acquisition, impediments from federal

²⁵ Report of the Action Summit for the Advancement of Capital Access to Entrepreneurs with Disabilities, Self-Employment Technology Transfer Project of the RTC on Disability in Rural Communities, University of Montana Rural Institute, Washington, DC, August, <http://rtc.ruralinstitute.umt.edu/SelEm/Summit.htm>

assistance programs and small business resources and assistance available to entrepreneurs with disabilities. The Census Bureaus should be directed to conduct a survey of small businesses owned by people with disabilities similar to the survey that it conducts of women-owned businesses every 5 years. The Small Business Administration's Office of Advocacy should be asked to document the number of small businesses owned by people with disabilities that are served by SBA's existing small business development programs including: PRIME, the 7[a] loan program, micro-loan direct and guarantee loan programs and 8[a] program.

Broaden existing program definitions or criteria to include entrepreneurs with disabilities - Under the Small Business Act, each federal agency is expected to target a percentage of its contracts and subcontracts to small disadvantaged businesses, women-owned businesses, service-disabled veteran owned businesses, HUBZone small businesses and other small businesses. Each year, SBA negotiates procurement preference goals with every federal agency and reviews their results. Each federal agency must have an Office of Small & Disadvantaged Business Utilization (OSDBU) to assure minority and women-owned businesses the opportunity to contract with that agency. OSDBUs often provide Vendor Outreach Sessions between small business owners and specialists of their agency and an annual OSDBU Directors Conference invites vendors to take advantage of seminars, counseling with agency buyers, and exhibits. DoD has a program authorized under the National Defense Authorization Act whereby major defense contractors serve as mentor firms to small business protégés assisting with engineering and technical matters; awarding subcontracts on a noncompetitive basis; and providing loans or cash assistance to protégé firms. Because many of these vendor services and contracting goals are driven by statutory requirements, a change in law would be required to include entrepreneurs with disabilities. Where relevant, the words "entrepreneur with disability (EWD)-owned small business" should be inserted into appropriate specifications.

Improve state vocational rehabilitation agency performance through adoption of programs and changes in regulations that promote self-employment - RSA should develop a national self-employment policy and modify its performance standards so that self-employment outcomes do not detract from a VR agency's evaluation scores. VR counselors should be trained in their agency's self-employment policies and procedures and have a basic understanding of business development resources and where to connect interested clients with appropriate assistance. Several VR agencies have developed programs to finance self-employment options for clients and established effective ties to their local SBDCs. These and other innovative state agency practices to promote entrepreneurship should be disseminated widely and guidance provided to states interested in adopting those approaches.

Broaden the access of people with disabilities to small business supports - The Abilities Fund in Iowa provides much-needed start-up and other capital resources for small business enterprises owned by people with disabilities. Such partnerships could help budding entrepreneurs develop business plans and perhaps offer courses in business development; provide start up capital and supports; or offer "graduates" a "certificate" of qualification for federal contracts.

7] Offer access to health care that doesn't drive people with disabilities onto federal disability benefits rolls --

For many years, Dan worked for a local government in Virginia. When his multiple sclerosis worsened and he needed additional attendant care, he could only get those supports through

Medicaid. Dan was forced to quit his job, spend down his savings, sell his home and enter a nursing home so that he could qualify for Medicaid.

Barriers -- Broad-based health system reform addressing the needs of the uninsured and underinsured would, in many respects, alleviate many challenges faced by people with disabilities. At the same time, major health system reform proposals will be inadequate to the task if they fail to account for the particular concerns affecting people with disabilities. Their interests must be accounted for in any health reform debates. In the absence of systemic changes, there are numerous changes that should be made to federal health programs to reduce the barriers they pose to employment for people with disabilities.

Current Medicare policy for durable medical equipment (DME) restricts its use to "in the home", meaning that people on SSDI who use devices and technology they need for independent living risk violating the law if they use their DME to go to work. Medicaid assets and resource limits have not been increased since 1974. As a result, working people with disabilities who rely on that program for critical services and supports cannot earn and save like most Americans. Over thirty states have created Medicaid buy-ins to permit working people with disabilities to retain coverage under that program. However, of 80,000 buy-in enrollees in 2005, 60 percent were in only five states. Another four states have opted to participate in the Demonstration to Maintain Independence and Employment - which gives working people with disabilities the chance to buy into Medicaid before their condition forces them onto the disability rolls. Unfortunately, the authorization for this demonstration ends in 2009. Long term disability policies offered by the private sector usually require those covered to apply for federal disability benefits. Finally, federal long term care plan policies exclude people with disabilities, leaving these federal workers no option but to rely on federal disability benefits for long term care.

Solutions – Eliminate the Medicare "homebound" rule – Bills have been introduced in Congress to repeal Medicare's restrictive coverage of mobility devices to those used only in a beneficiary's home. This legislation must be enacted so that people with disabilities can work and live independently.

Enhance the use of the Medicaid buy-ins for working people with disabilities – These buy-in programs need to become available to all working people with disabilities to alleviate the patchwork of access across the country. A 2006 study by Mathematica Policy Research recommended that greater outreach by states with existing Medicaid buy-ins could improve the number of participants.²⁶ Another evaluation by Mathematica suggested that those states with higher income and asset criteria have higher numbers of working people with disabilities participating in the buy-in program.²⁷ Preliminary findings from the Demonstration to Maintain Independence and Employment indicate that this program has potential to reduce public expenditures for disability benefits and reduce employer costs related to worker health problems.²⁸ This demonstration needs to continue past its September 2009 termination date to allow it more time to document effective interventions and outcomes.

²⁶ The Three Es: Enrollment, Employment and Earnings in the Medicaid Buy-In Program, Mathematica Policy Research, Contract No. 500-00-047, Ref. No. 6170-330, April 11, 2008

²⁷ Interaction of Policy and Enrollment in the Medicaid Buy-In Program, Final Report, Mathematica Policy Research, Contract No. 500-00-047, Ref. No. 6170-330, May 2007

²⁸ 2008 Congressional briefing by American Public Human Services Association and National Association of State Medicaid Directors, http://cwg.aphsa.org/Home/home_news.asp

Offer tax incentives to assist people with disabilities in purchasing employer-provided health coverage – Health insurance premiums paid by working people with disabilities should be considered an impairment related work expense and deductible on their 1040.

Reform long term health care plan policies that adversely affect working people with disabilities – Long term disability insurance policies should not require their beneficiaries to apply for Social Security disability insurance in order to receive benefits under their plans. In addition, the federal long term care insurance program should not exclude workers with disabilities from its coverage.

8] Remove systemic barriers to employment for people with disabilities on Social Security disability benefits --

"Either I have to figure out a way to keep benefits (personal assistance services through Medicaid), so that I can get up in the morning, get dressed and go to work, or I will just have to lay in bed all day, which means not only am I not going to work, but then I will stay on these benefits. It just makes a lot more sense to me to help people get out and get into the workforce and they can pay taxes and help pay for some of these services that they are receiving." David Cox, comments to Ticket to Work and Work Incentives Advisory Panel, Aug. 17, 2006²⁹

Barriers -- Recent reports from sources as varied as the Government Accountability Office³⁰(GAO), the National Academy of Social Insurance³¹ (NASI), the National Council on Disability³²(NCD), the Consortium for Citizens with Disabilities³³ (CCD), the Employment Support Institute at the Virginia Commonwealth University³⁴(ESI/VCU) and the Return To Work Group³⁵ (RTW) all demonstrate that there are five principle barriers to the employment of individuals with significant disabilities who are Social Security Disability Insurance (SSDI) beneficiaries and supplemental security income (SSI) recipients. It is generally agreed that all of these barriers must be resolved in order to empower them to go to work.³⁶ These barriers are: 1) the loss of health benefits; 2) the complexity of existing work incentives; 3) financial penalties of working; 4) lack of choice in employment services and providers; and, 5) inadequate work opportunities.

Solutions – CCD has written extensively on the multi-faceted approaches needed to modernize SSDI and SSI so that beneficiaries of these programs have greater opportunities to return to work. These solutions include:

- Raise the SSI asset limit and income disregards and index annually for inflation.
- Establish earnings offset so that benefits gradually decline as earned income rises.

²⁹ Ticket to Work and Work Incentives Advisory Panel, Annual Report to the President and Congress, Year Seven, p. 23

³⁰ U.S. Government Accounting Office, SSA Disability Program Redesign Necessary to Encourage Return to Work, GAO/HEHS 96-62, April, 1995.

³¹ Findings and Recommendations of the Disability Policy Panel, National Academy of Social Insurance, January, 1996

³² Achieving Independence, National Council on Disability, July, 1996

³³ Testimony before the House Subcommittee on Social Security, Consortium for Citizens with Disabilities, August 3, 1995.

³⁴ Draft Recommendations to the Work Incentive Redesign Task Force, Ruth, D and M. Hill, Virginia Commonwealth University Employment Support Institute, June, 1996

³⁵ Developing Choices for People on the Disability Rolls to Return-to-Work and Self-Sufficiency, The Return to Work Group, June 1996

³⁶ SSA Disability Program Redesign Necessary to Encourage Return to Work, p. 58

- Establish a single substantial gainful activity (SGA) level for people with disabilities and people who are blind at the level used for people who are blind.
- Allow ongoing presumptive re-entitlement for those able to work, but who have continuing disabilities – Continued Attachment.
- Revise rules for impairment-related work expenses.
- Continue benefits pending appeal for those who lose benefits due to earnings above SGA level.
- Expand work incentives for youth.
- Modify “deeming” eligibility (SSI) to protect Medicaid for certain working people who transition to Title II.
- Clarify work subsidy issues as they impact determinations of SGA.
- Eliminate 5-month waiting period for Title II disability benefits.
- Improve the Ticket to Work and Work Incentives Improvement Act.
- Significantly improve and enforce utilization of the system to track earning reports to reduce large overpayments.
- Establish a time limit for notices about overpayments and, absent fraud, hold beneficiaries harmless after that time period.
- Eliminate the 24-month waiting period for Medicare.
- Allow permanent premium-free access to Medicare for beneficiaries who work.
- Ensure that past work above the SGA level does not create work disincentives for people who would otherwise qualify as Disabled Adult Child [DAC] beneficiaries.
- Exempt DAC beneficiaries from the family maximum if they live outside the family home.
- Revise special minimum benefit.
- Revise benefit levels for disabled widow(er)s.
- Eliminate marriage penalties in SSI and Title II
- Renew SSA disability demonstration authority. (Title II)

9. Remove systemic barriers to employment for veterans with disabilities --

Lt. Johnson, a National Guardsman, was an accountant in civilian life. He lost both legs and sustained a severe traumatic brain injury in an IED explosion in Baghdad. Several months after his medical rehabilitation, he learned about the VA vocational rehabilitation program. More months passed before he could enter the VR&E program due to a shortage of counseling staff. Although he completed his vocational program and obtained a job, he was fired 6 months later due to emergent PTSD – by which time, VR&E had closed his case.

Private Jones served in Johnson's platoon and returned from Iraq without any injuries. A month after his discharge from the military, Pvt. Jones was hit by a drunk driver and left with a high level spinal cord injury. Just 19 at the time of the accident, Pvt. Jones received only a modest Social Security disability insurance benefit so he applied for VA pension, a program offering income support for low income veterans with non-service connected disabilities. Several years later, Pvt. Jones was made aware of Social Security's Ticket to Work program and inquired about using its incentives to go to work. He discovered that not only would he face the SSDI cash cliff but his VA pension would be offset dollar for dollar by his earnings.

Barriers -- Most veterans with service-connected disabilities are eligible for the VA's Vocational Rehabilitation and Employment (VR&E) Program. Yet, while the numbers of veterans applying to VR&E in the past fifteen years have risen 73 percent [37,829 to 65,298] and the numbers participating in the program have risen 67% [58,155 to 97,158], the number of those successfully rehabilitated has remained flat at only about 10,000 a year.³⁷ VR&E representatives are not automatically included in the Disabled Transition Assistance Program (DTAP) sessions offered to separating wounded service members. Citing several studies of VR&E done within the last decade, the Veterans Disability Benefits Commission identified a host of problems with the program, including:

- need for more aggressive and proactive approach to serving veterans with serious employment barriers
- limited numbers of VR&E counselors and case managers to handle a growing case load
- inadequate and ineffective tracking and reporting on participants
- employment outcomes that are measured no further than 60 days after hiring
- the current 12 year limit for veterans to take advantage of VR&E may be unrealistic

In addition to VR&E, numerous non-profit vocational providers have served veterans with disabilities for many years in partnership with the VA. Easter Seals has mounted a Military and Veterans Initiative to help veterans with traumatic brain injury find vocational assistance. The Veterans Health Administration (VHA) Compensated Work Therapy program matches veterans with severe disabilities with jobs through the NISH AbilityOne program. However, unlike state VR contracting processes, the VA's national acquisition strategy is viewed as cumbersome and restrictive. As a result, programs that could address some of the demand by veterans with disabilities for employment assistance are shut out by unnecessary bureaucracy.

Veterans with disabilities – both service-connected and non-service-connected – who want to own their own business have some advantages over other entrepreneurs with disabilities in the variety of VA and Small Business Administration programs created to serve them. In 2001, the Center for Veterans Enterprise [CVE] was created in the SBA Office of Small and Disadvantaged Business Utilization (OSDBU) to help federal contractors identify veteran-owned businesses and to offer technical assistance to SBA Veterans Business Development Centers around the country. Unfortunately, the CVE is not well publicized by the SBA and suffers from inadequate funding. SBA also offers loan and loan guarantee programs to veterans under its Patriot Express Loan Initiative. However, the collateral requirements allowed under the SBA loan programs are often too high for newly-discharged veterans to meet. Federal law requires all federal agencies to observe a 3 percent procurement goal from service-disabled veteran-owned businesses but few federal agencies meet the contracting goals set out in the law. Public law 109-461 gave the VA special authority to set aside or sole source a minimum of 3 percent of its contracts and subcontracts to businesses owned by veterans, including those with disabilities. Sadly, the VA has been slow to put in place policies and procedures implementing this law and, as a result, contracting officers are reluctant to fulfill its requirements.

For some veterans with service-connected disabilities, establishing eligibility for state VR services may prove challenging. Veterans with a service-connected disability rating of at least 20 percent will automatically qualify for VA vocational services. While most veterans with ratings at 40 percent and below are unlikely to qualify for state VR services, those with ratings between 50 percent and 70 percent

³⁷ Veterans Disability Benefits Commission Final Report, p. 188

might qualify depending on a state's admission criteria and the ability of VR professionals to assess appropriately a veteran's functional capacity.³⁸

Many veterans who served this country honorably and returned from service uninjured acquire non-service-connected disabilities post-discharge and, if these disabilities are severe enough, they will be eligible for SSDI. They will not be eligible for the VR&E program but must rely for vocational and employment help on state vocational rehabilitation programs, Social Security work incentives, Department of Labor veterans programs and other private sector options available to most people with disabilities. DoL has over 2100 Disabled Veterans Outreach Program [DVOP] staff and local veterans' employment representatives [LVERs] that operate out of One Stops and other state employment offices but this staff is often diverted to serve non-veterans because of budgetary constraints. If veterans with disabilities are to benefit from these services, adequate funding must be provided to these non-VA programs that are nevertheless helping veterans.

Low income veterans with non-service connected disabilities or their surviving low income spouses are eligible to receive VA pension [the equivalent of supplemental security income]. To receive VA pension, a veteran must be evaluated as having a permanent and total disability. Over twenty years ago, Congress authorized the VA to undertake a four year pilot program of vocational training for non-service-connected veterans awarded VA pension. Modeled on SSA's trial work period, veterans in the pilot were allowed to retain eligibility for pension up to 12 months after obtaining employment. In addition, they remained eligible for VA health care up to three years after their pension terminated because of employment. Running from 1985 to 1989, this pilot program achieved some modest success. However, it was discontinued because, prior to VA eligibility reform, most catastrophically-disabled veterans were reluctant to risk their access to VA health care by working.

Today, veterans on VA pension face a unique dilemma when considering going to work. Because of a modest work record, many of these veterans or their surviving spouses may receive a small SSDI benefit that supplements their VA pension. If these individuals attempt to use SSA's work incentives programs to increase their income, not only is their SSDI benefit terminated but their VA pension benefits are reduced dollar for dollar by their earnings. Unlike the SSI program in which benefits are reduced gradually as earned income rises, the VA pension "cash cliff" is an impediment to return to work efforts on the part of these veterans.

Solutions – Improve the VA Vocational Rehabilitation and Education (VR&E) program by:

- expanding access to all medically-separated service members;
- making all service-disabled veterans eligible for voc rehab and counseling services;
- reviewing and revising the current 12 year limit for entering VR&E based on employment data, functional requirements and individual needs;
- screening through VR&E counselors all applicants for Individual Unemployability ratings;
- increasing VR&E staffing and resources, tracking employment success beyond 60 days and implementing satisfaction surveys of participants and employers;
- creating incentives to encourage disabled veterans to complete their rehabilitation plan;³⁹

³⁸ Proceedings of the 34th Institute on Rehabilitation Issues, U. S. Department of Education Rehabilitation Services Administration, May 5-6, 2008

³⁹ VDBC, op. cit., p. 193-197

- updating the VA's national acquisition strategy to broaden veterans' access to private vocational providers while improving VA's oversight of its counseling contractors; and
- ensuring that VR&E representatives participate in all DTAP sessions.

Ensure non-VA federal programs that serve veterans with disabilities have adequate funding to support them without having to deny services to other individuals with disabilities. Growing numbers of veterans with disabilities are seeking vocational services from state and federal agencies and non-profit programs that also serve non-veterans with disabilities. It is vital that these agencies receive sufficient resources to serve all clients with disabilities.

Monitor, improve and enforce existing federal programs designed to assist veteran entrepreneurs with disabilities. Adequately fund and publicize the Center for Veterans Enterprise. Make federal procurement officials accountable for meeting their statutory 3 percent contracting goals for service-disabled veteran owned businesses and direct the VA to implement its special authority for contracting with these veteran entrepreneurs.

Eliminate the VA pension "cash cliff" by phasing out pension benefits as earned income rises and reinstate a work incentives program similar to that authorized under P.L. 98-543. The VA Office of Policy, Planning and Preparedness examined the VA pension program in 2002 and found poor health and disability to be the predominant reason given by veterans and their spouses under 65 for not working. However, though small in number, seven percent of unemployed veterans on pension [approximately 22,950] and nine percent of veteran spouses on pension [approximately 15,514] cited the dollar-for-dollar reduction in VA pension benefits as a disincentive to work.⁴⁰ Now that veterans with catastrophic non-service-connected disabilities retain access to VA health care, work incentives for the VA pension program should be re-examined and policies toward earnings should be changed to parallel those in the SSI program.

Increase cooperation between state vocational rehabilitation agencies and the VA VR&E program - There are ten times as many state VR counselors as there are VR&E counselors around the nation. These numbers of vocational experts could amplify the assistance available to veterans with disabilities if appropriate outreach and partnerships are established. Many state VR agencies have memorandums of understanding with their state department of veterans' services to coordinate services to veterans with disabilities and some state agencies have identified counselors with military backgrounds to serve as liaisons with the VA and veterans' groups. State VR and VA VR&E programs should offer joint training to their staffs on TBI, PTSD and other specific disability issues to improve cross-agency coordination. RSA should also work with the VA to establish national criteria for state agencies' acceptance of veterans with service-connected disability ratings to avoid inconsistent admission policies and the potential for veterans to be bounced between state VR & VR&E.

⁴⁰ Evaluation of VA Pension and Parents' DIC Programs – VA Pension Program Final Report, ORC Macro, Economic Systems Inc., Hay Group, Dec. 22, 2004, www1.va.gov/op3/docs/pension.pdf